



## APPENDIX A

Section 2(d) of the Bank Holding Company Act of 1956, 70 Stat. 133, as amended, 12 U.S.C. § 1841(d), provides in pertinent part:

"Subsidiary", with respect to a specified bank holding company, means (1) any company 25 per centum or more of whose voting shares (excluding shares owned by the United States or by any company wholly owned by the United States) is directly or indirectly owned or controlled by such bank holding company, or is held by it with power to vote; (2) any company the election of a majority of whose directors is controlled in any manner by such bank holding company; or (3) any company with respect to the management or policies of which such bank holding company has the power, directly or indirectly, to exercise a controlling influence, as determined by the Board, after notice and opportunity for hearing.

Section 3(a) of the Bank Holding Company Act of 1956, 70 Stat. 133, as amended, 12 U.S.C. § 1842(a), provides in pertinent part:

It shall be unlawful, except with the prior approval of the Board, . . . (2) for any action to be taken that causes a bank to become a subsidiary of a bank holding company.

Section 11(d) of the Bank Holding Company Act of 1956, 70 Stat. 133, as amended, 12 U.S.C. § 1849(d), provides in pertinent part:

Any acquisition, merger, or consolidation of the kind described in section 3(a) of this Act which was consummated at any time prior or subsequent to May 9, 1956, and as to which no litigation was initiated by the Attorney General

prior to the date of enactment of this amendment, shall be conclusively presumed not to have been in violation of any antitrust laws other than section 2 of the Act of July 2, 1890 (section 2 of the Sherman Antitrust Act, 15 U.S.C. 2).

Section 7 of the Clayton Act, 38 Stat. 731, as amended, 64 Stat. 1125, 15 U.S.C. § 18, provides in pertinent part:

Nor shall anything contained in this section prevent a corporation engaged in commerce from causing the formation of subsidiary corporations for the actual carrying on of their immediate lawful business, or the natural and legitimate branches or extensions thereof, or from owning and holding all or a part of the stock of such subsidiary corporations, when the effect of such formation is not to substantially lessen competition.